

Appl. No. 10/541,096  
Arndt Dated May 29, 2008  
Reply to Office Action of March 4, 2008

Attorney Docket No. 81864.0069  
Customer No.: 26021

**REMARKS**

This application has been carefully reviewed in light of the Office Action dated March 4, 2008. Claims 1-12 and 17-22 remain in this application. Claims 1 and 17 are the independent Claims. Claims 1 and 17 have been amended. Support for the amendments are found, *inter alia*, on page 6, lines 17-18 of the present Specification. Claims 13-16 have been cancelled, without prejudice. It is believed that no new matter is involved in the amendments or arguments presented herein.

Reconsideration and entrance of the amendment in the application are respectfully requested.

**Restriction Requirement:**

The Office Action places a restriction requirement on the claims. In particular, the Office Action requires election of Group I, Claims 1-12, 17-22 or Group II, Claims 13-16, for further prosecution.

In response, Applicant elects Group I, Claims 1-12 and 17-22, without traverse, for further prosecution in this case.

**Art-Based Rejections**

Claims 1, 2, 3, 5, 6, 7, 17, 18, 19 & 20 were rejected under 35 U.S.C. § 102(b) over U.S. Patent No. 6,602,620 (Kikitsu). Claim 4 was rejected under 35 U.S.C. § 103(a) over Kikitsu in view of U.S. Patent No. 6,641,891 (Doushita). Claims 8-12 were rejected under § 102(b) as anticipated by or, in the alternative, under § 103(a) as obvious over Kikitsu in view of U.S. Patent No. 6,262,867 (Sano).

Applicant respectfully traverses the rejections and submits that the claims are allowable in light of the clarifying amendments above and the arguments below.

**The Kikitsu Reference**

Kikitsu is directed to a magnetic recording medium. Kikitsu discloses a diblock copolymer layer that is annealed to form a self-organized structure called a sea-island structure. According to Kikitsu a self-organized structure is employed that sets the volume ratio of the magnetic particles at 30% or less, in order to prevent the exchange coupling between magnetic particles (See, *Kikitsu, Abstract, Col. 11, lines 37-51*).

**The Doushita Reference**

Doushita is directed to a particulate, high density magnetic recording media (See, *Doushita, Col. 1, lines 5-6*).

**The Sano Reference**

Sano is directed to a thin film magnetic head and a disk storage system having a magnetic disk and the thin film magnetic head provided on a floating type slider. (See, *Sano, Abstract*).

**The Claims are Patentable Over the Cited References**

The present application is generally directed to a granular substance.

As defined by amended independent Claim 1, a granular substance is characterized by a matrix composed of a nonmagnetic insulating organic material and ferromagnetic metal particles dispersed in the matrix and having a mean particle size of 50 nm or less. The volume ratio of the matrix in the granular substance is in the range of 5 to 50%.

The applied references are not seen to disclose or suggest the above features of the claims of the present invention. In particular, the applied references are not seen to disclose or suggest "wherein the volume ratio of said matrix in said granular substance

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is in the range of 5 to 50%," as required by amended independent Claim 1 of the present invention.

Page 5 of the Office Action states that Kikitsu, Col. 18, lines 44-54, discloses "block copolymer volume ratio of 30 percent or less,... which would be within applicants range."

Applicant respectfully traverses this conclusion and contends that Kikitsu fails to disclose the above-mentioned features of amended independent Claim 1.

As noted above, Kikitsu discloses a diblock copolymer layer that is annealed to form a self-organized structure called a sea-island structure. Kikitsu employs such a self-organized structure and thereby sets the volume ratio of the magnetic particles at 30% or less, in order to prevent the exchange coupling between magnetic particles (*See Kikitsu, Col. 11, lines 37-51*).

In contrast, in the present invention, the volume ratio of the matrix in the granular substance is in the range of 5 to 50%, namely, the ferromagnetic metal particles occupies 50 vol% or more in the granular substance. Such a volume ratio enables exchange coupling between the ferromagnetic metal particles and soft magnetic properties are obtained (*See, Specification, Pages 11 and 12*).

Accordingly, Kikitsu fails to disclose, teach or even suggest the above features of the claims of the present invention.

The ancillary Doushita and Sano references fail to remedy the above-discussed deficiencies of Kikitsu.

Since the applied references fail to disclose, teach or suggest the above features recited in amended independent Claim 1 of the present invention, these references cannot be said to anticipate nor render obvious the invention which is the subject matter of that claim.

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Accordingly, amended independent Claim 1 is believed to be in condition for allowance and such allowance is respectfully requested.

Applicant respectfully submits that amended independent Claim 17 is allowable for at least the same reasons as those discussed in connection with amended independent Claim 1 and such allowance is respectfully requested.

The remaining claims depend either directly or indirectly from amended independent Claims 1 and 17 and recite additional features of the invention which are neither disclosed nor fairly suggested by the applied references and are therefore also believed to be in condition for allowance and such allowance is respectfully requested.

### **Conclusion**

In view of the foregoing, it is respectfully submitted that the application is in condition for allowance. Reexamination and reconsideration of the application, as amended, are requested.

If for any reason the Examiner finds the application other than in condition for allowance, the Examiner is requested to call the undersigned attorney at the Los Angeles, California telephone number (213) 337-6809 to discuss the steps necessary for placing the application in condition for allowance.

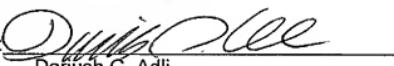
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If there are any fees due in connection with the filing of this response, please charge the fees to our Deposit Account No. 50-1314.

Respectfully submitted,  
HOGAN & HARTSON L.L.P.

Date: May 29, 2008

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